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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/808,029

03/24/2004

Thomas M. Cross

86,624-009

5665

7590

07/03/2006

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EXAMINER

GARG, YOGESH C

ART UNIT

PAPER NUMBER

3625

DATE MAILED: 07/03/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/808,029

Applicant(s)

CROSS ET AL.

Examiner

Yogesh C. Garg

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 28 April 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1, 2, 4-6, 8-10, 12, 14, 19, 20, 24 and 27 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-2, 4-6, 8-10, 12, 14, 19-20, 24, & 27 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 4/28/2006 has been entered.

Response to Amendment

2. Applicant's amendment received on 4/28/2006 is acknowledged and entered. Claims 1, 5, 9, 14, 19, 20, and 24 are amended. Claims 3, 7, 11, 13, 15-18, 21-23, 25-26 are previously withdrawn. Currently claims 1-2, 4-6, 8-10, 12, 14, 19-20, 24, and 27 are pending.

Response to Arguments

3.1. In view of the remarks filed on 4/28/2006 (see Remarks, pages 10-11), concerning claims 1, 5, 9, 14, 19, 20 and 27, rejection of these claims under 35 USC 112, second paragraph is withdrawn.

3.2. Applicant's arguments with respect to prior art rejection of claims 1-2, 4-6, 8-10, 12, 14, 19-20, 24, and 27 (see Remarks, pages 10-11), have been considered but are moot in view of the new ground(s) of rejection necessitated due to current amendments.

Claim Rejections - 35 USC § 112

4.1. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claim 27 is rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter, "validation engine guarantees the instrument", which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. The examiner has reviewed the applicant's disclosure but it does not categorically states that the validation engine guarantees the instrument. As per figures 2b, 3 and 4 and the disclosure, validation engine checks the buyer's product and acceptance receipts and verifies if this information matches with the shipping information received to determine/approve and authorize the amount of payment due and when. The disclosure and figures do not state that the validation engine guarantees the instrument. The central processing platform (see applicant's specification page 12, line 25-page 13, line 8 and originally filed claim 14) procures insurance against fraud and non-payment by the buyer to ensure payment against the tradeable financial instrument converted from the receivables. Guaranteeing of the instrument results from procuring insurance and the concept of procuring insurance to ensure payments against damages/fraud/losses is notoriously well-known phenomenon.

In view of the foregoing, the examiner would interpret claim 27 for further

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treatment on merits—the procurement of insurance guarantees the instrument.

4.2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 27 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

See .MPEP <2173.03 [R-1] Inconsistency Between Claim *>and< Specification Disclosure or Prior Art : *Although the terms of a claim may appear to be definite, inconsistency with the specification disclosure or prior art teachings may make an otherwise definite claim take on an unreasonable degree of uncertainty. In re Cohn, 438 F.2d 989, 169 USPQ 95 (CCPA 1971); In re Hammack, 427 F.2d 1378, 166 USPQ 204 (CCPA 1970). In Cohn, the claim was directed to a process of treating a surface with a corroding solution until the metallic appearance is supplanted by an "opaque" appearance. Noting that no claim may be read apart from and independent of the supporting disclosure on which it is based, the court found that the description, definitions and examples set forth in the specification relating to the appearance of the surface after treatment were inherently inconsistent and rendered the claim indefinite.*

Notwithstanding the subject matter recited in claim 27, that is " the validation engine guarantees the instrument", the disclosure/figures (figures 2b, 3 and 4) disclose that the validation engine checks the buyer's product and acceptance receipts and verifies if this information matches with the shipping information received to determine/approve and authorize the amount of payment due and when. The disclosure and figures do not state that the validation engine guarantees the instrument. The central processing platform (see applicant's specification page 12, line 25-page 13, line 8 and originally filed claim 14) procures insurance against fraud and non-payment by the buyer to ensure payment against the tradeable financial instrument converted from the receivables. Guaranteeing of the instrument results from procuring insurance and the concept of procuring insurance to ensure payments against damages/fraud/

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losses is notoriously well-known phenomenon. Thus the disclosure/figures set forth in the specification are inconsistent with the limitation recited in claim 27 and renders the claim indefinite.

Objection to Specification

5. The amendment filed on 11/18/2005 is objected to under 35 U.S.C. 132(a) because it introduces new matter into the disclosure. 35 U.S.C. 132(a) states that no amendment shall introduce new matter into the disclosure of the invention. The added material which is not supported by the original disclosure is as follows: see claim 27, "A system according to claim 1, wherein the validation engine guarantees the instrument". The examiner has reviewed the applicant's disclosure but it does not categorically states that the validation engine guarantees the instrument. As per figures 2b, 3 and 4 and the disclosure, validation engine checks the buyer's product and acceptance receipts and verifies if this information matches with the shipping information received to determine/approve and authorize the amount of payment due and when. The disclosure and figures do not state that the validation engine guarantees the instrument. The central processing platform (see applicant's specification page 12, line 25-page 13, line 8 and originally filed claim 14) procures insurance against fraud and non-payment by the buyer to ensure payment against the tradeable financial instrument converted from the receivables. Guaranteeing of the instrument results from procuring insurance and the concept of procuring insurance to ensure payments against damages/fraud/losses is notoriously well-known phenomenon.

Applicant is required to cancel the new matter in the reply to this Office Action.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Note: Examiner cites particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that, in preparing responses, the applicant fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Claims 1-2, 4-6, 8-10, 12, 14, 19-20, 24, and 27 are rejected under 35 U.S.C. 102(e) as being anticipated by Martin et al. (US Patent 7,047,219 B1), hereinafter, referred to Martin.

Regarding claim 1, Martin discloses a system for electronically facilitating the financing of receivables by a financial institution, said receivables resulting from electronic commerce between a buyer and a seller, said system including a central

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processing platform (see at least Abstract and Fig.1 wherein "102" the internet server corresponds to the claimed central processing platform in Fig.1 comprising:

a translation engine adapted to receive and translate seller information relating to a sale of product or service from a seller information format into a buyer information format and to forward the translated information to the buyer (see at least col.3, lines 1-15 which discloses that the sale invoice data are processed/translated into desired formats, such as required for the buyer or for a financial institution or for an insurance broker/underwriter) ;

a validation engine adapted to validate a transaction by matching billing information associated with the sale with receipt and acceptance information associated with the sale , supplied electronically by the buyer to the central processing platform and to perform a credit check and quality check of the buyer's credit in order to characterize the likelihood of payment by the buyer (see at least Fig.2 and col.4, lines 21-54 which discloses that the system validates a transaction by matching and updating the shipment information received from the seller/exporter/manufacturer resulting from a sale/purchase transaction with that of the buyer information and also carrying out buyer's credit checks) ;

said translation engine and validation engine cooperating to produce validated electronic data representative of a receivable of the seller (see at least col.3, lines 16-25. Martin discloses that the system screens and selects the receivables that qualify to be insured to receive finance against them, that is the qualified receivables

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are converted into tradeable financial instruments to receive finance against them by providing/procuring insurance); and

means responsive to the central processing platform to convert the validated electronic data into a tradeable financial instrument to be issued by the financial institution for introduction into commerce, including procuring insurance against fraud; non acceptance by the buyer and non payment by the buyer (see at least col.3, lines 16-42 and col.3, line 62-col.4, line 20). Martin discloses that the system screens and selects the receivables that qualify to be insured to receive finance against them, that is the qualified receivables are converted into tradeable financial instruments to receive finance against them by providing/procuring insurance. The insurance provides safeguard from the failure of buyer to pay the contract price).

Regarding claim 2, Martin discloses that the system according to claim 1, wherein the seller information is sent to the central processing platform by e-mail (col.3, lines 43-61. Martin discloses that all the components, such as buyers, sellers/exporters/manufacturers/insurers/banks and the Internet server are connected to each other via an Internet connection using Internet browsers and this architecture would also include communication by e-mail) .

Regarding claim 4, Martin discloses a system according to claim 1, wherein the seller information is directly accessed by the central processing platform from a database of the seller(see at least col.3, lines 10-15, ".....the data may be extracted

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directly from their source, that is information about invoice can be extracted directly from seller's database).

Regarding claims 5-6, 8-10, 12, 14, 19-20, 24, their claims are closely parallel to the limitations recited in claims 1-2 and 4 and, therefore, they are also analyzed and rejected based on the same rationale.

Regarding claim 27 (as analyzed and interpreted under rejection 35 USC 112, first and second paragraphs), Martin teaches insuring the converted receivables (that is the tradeable financial instrument) resulting in guaranteeing the instruments (see at least col.3, lines 16-42 and col.3, line 62-col.4, line 20. Martin discloses that the system screens and selects the receivables that qualify to be insured to receive finance against them, that is the qualified receivables are converted into tradeable financial instruments to receive finance against them by providing/procuring insurance. The insurance provides safeguard from the failure of buyer to pay the contract price).

Conclusion

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- (i) US Publication 2002/0198808 to Myers (see at least Abstract and paragraph 0049) and US Publication to Turbeville et al. (see at least Abstract and paragraph 0207) disclose converting receivables into tradeable instruments such

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that a seller could receive capital/finances/loans against receivables, which are insured against fraud or failure of payment from the buyer of goods from the seller.

(ii) US Patent 5694552 to Aharoni (see at least Abstract and col.1, lines 22-43) teaches receivable financing, that is receivables created by a seller by selling products to a buyer are sold to financial institutions who advances a portion of the price of the products sold to the seller and balance is paid on receipt of the payment from the buyer. These financial institutions also provide insurance and assume the risk of non-payment by the buyer).

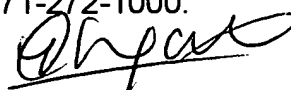
(iii) US Patent 6,167,385 to Hartley-Urquhart (see at least Abstract, Fig.5 and col.7, line 52-col.9, line 50) discloses financing a seller against receivables created from a sale of products to a buyer of the products.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C. Garg whose telephone number is 571-272-6756. The examiner can normally be reached on M-F(8:30-4:00).

The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



Yogesh C Garg
Primary Examiner
Art Unit 3625

YCG
6/26/2006